

U.S. Income Tax Return of a Foreign Corporation

For calendar year 2007, or tax year beginning _____, 2007, and ending _____, 20 _____
 ▶ See separate instructions.

OMB No. 1545-0126

2007

Use IRS label. Otherwise, print or type.	Name	Employer identification number
	Number, street, and room or suite no. (see instructions)	Check box(es) if: <input type="checkbox"/> Initial return <input type="checkbox"/> Name or address change <input type="checkbox"/> Final return <input type="checkbox"/> First post-merger return <input type="checkbox"/> Amended return <input type="checkbox"/> Schedule M-3 attached <input type="checkbox"/> Protective return
	City or town, state and ZIP code, or country (see instructions)	

<p>A Country of incorporation _____</p> <p>B Foreign country under whose laws the income reported on this return is also subject to tax _____</p> <p>C Date incorporated _____</p> <p>D (1) Location of corporation's primary books and records (city, province or state, and country) _____</p> <p>(2) Principal location of worldwide business _____</p> <p>(3) If the corporation maintains an office or place of business in the United States, check here <input type="checkbox"/></p> <p>E If the corporation had an agent in the United States at any time during the tax year, enter:</p> <p>(1) Type of agent _____</p> <p>(2) Name _____</p> <p>(3) Address _____</p> <p>F See page 22 of the instructions and enter the corporation's principal:</p> <p>(1) Business activity code number ▶ _____</p> <p>(2) Business activity ▶ _____</p> <p>(3) Product or service ▶ _____</p> <p>G Check method of accounting: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶ _____</p>	<p>H Did the corporation's method of accounting change from the preceding tax year? _____ If "Yes," attach an explanation.</p> <p>I Did the corporation's method of determining income change from the preceding tax year? _____ If "Yes," attach an explanation.</p> <p>J Did the corporation file a U.S. income tax return for the preceding tax year? _____</p> <p>K At any time during the tax year, was the corporation engaged in a trade or business in the United States? _____</p> <p>L At any time during the tax year, did the corporation have a permanent establishment in the United States for purposes of applying section 894(b) and any applicable tax treaty between the United States and a foreign country? _____ If "Yes," enter the name of the foreign country: _____</p> <p>M Did the corporation have any transactions with related parties? _____ If "Yes," Form 5472 may have to be filed (see instructions). Enter number of Forms 5472 attached ▶ _____</p> <p>Note: Additional information is required on page 2.</p>
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Computation of Tax Due or Overpayment

1 Tax from Section I, line 11, page 2	1				
2 Tax from Section II, Schedule J, line 9, page 4	2				
3 Tax from Section III (add lines 6 and 10 on page 5)	3				
4 Total tax. Add lines 1 through 3				4	
5a 2006 overpayment credited to 2007	5a				
b 2007 estimated tax payments	5b				
c Less 2007 refund applied for on Form 4466	5c	()		
d Combine lines 5a through 5c	5d				
e Tax deposited with Form 7004	5e				
f Credit for tax paid on undistributed capital gains (attach Form 2439)	5f				
g Credit for federal tax on fuels (attach Form 4136). See instructions	5g				
h U.S. income tax paid or withheld at source (add line 12, page 2, and amounts from Forms 8288-A and 8805 (attach Forms 8288-A and 8805))	5h				
i Total payments. Add lines 5d through 5h				5i	
6 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>				6	
7 Amount owed. If line 5i is smaller than the total of lines 4 and 6, enter amount owed				7	
8 Overpayment. If line 5i is larger than the total of lines 4 and 6, enter amount overpaid				8	
9 Enter portion of line 8 you want Credited to 2008 estimated tax ▶				9	
					Refunded ▶

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer	Date	Title	
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Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code	EIN	Phone no. ()	

Additional Information (continued from page 1)

	Yes	No		Yes	No
N Is the corporation a controlled foreign corporation? (See section 957(a) for definition.)			U At the end of the tax year, did any individual, partnership, corporation, estate, or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (See section 267(c) for rules of attribution.)		
O Is the corporation a personal service corporation? (See instructions for definition.)			If "Yes," attach a schedule showing the name and identifying number. (Do not include any information already entered in item T .)		
P Enter tax-exempt interest received or accrued during the tax year (see instructions) ▶ \$			Enter percentage owned ▶		
Q At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a U.S. corporation? (See section 267(c) for rules of attribution.)			V Is the corporation taking a position on this return that a U.S. tax treaty overrules or modifies an Internal Revenue law of the United States, thereby causing a reduction of tax? . . .		
If "Yes," attach a schedule showing (1) name and EIN of such U.S. corporation; (2) percentage owned; and (3) taxable income or (loss) before net operating loss (NOL) and special deductions of such U.S. corporation for the tax year ending with or within your tax year.			If "Yes," the corporation is generally required to complete and attach Form 8833. See Form 8833 for exceptions.		
R If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ▶ <input type="checkbox"/>			Note: Failure to disclose a treaty-based return position may result in a \$10,000 penalty (see section 6712).		
S Enter the available NOL carryover from prior tax years. (Do not reduce it by any deduction on line 30a, page 3.) ▶ \$			W During the tax year, did the corporation own any entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3?		
T Is the corporation a subsidiary in a parent-subsidiary controlled group?			If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each such entity.		
If "Yes," enter the parent corporation's:			X During the tax year, did the corporation own at least a 10% interest, directly or indirectly, in any foreign partnership?		
(1) EIN ▶			If "Yes," see instructions for required attachment.		
(2) Name ▶			Y (1) Has the corporation made any allocation or reallocation of income based on section 482 and its regulations?		
			(2) Has the corporation recognized any interbranch amounts? If "Yes," attach a schedule with an explanation		
			Z (1) Is the corporation a dealer under section 475?		
			(2) Did the corporation mark to market any securities or commodities other than in a dealer capacity? . . .		

SECTION I—Income From U.S. Sources Not Effectively Connected With the Conduct of a Trade or Business in the United States—This section must be completed even if U.S. income tax was fully paid at the source. See instructions.

Include below **all** income from U.S. sources that is **not** effectively connected with the conduct of a trade or business in the United States. The rate of tax on each item of **gross** income listed below is 30% (4% for the gross transportation tax) or such lower rate specified by tax treaty. No deductions are allowed against these types of income. Enter treaty rates where applicable. **If the corporation is claiming a lower treaty rate, also complete Item V above.** If multiple treaty rates apply to a type of income (e.g., subsidiary and portfolio dividends or dividends received by disregarded entities), attach a schedule showing the amounts, tax rates, and withholding for each.

Name of treaty country, if any ▶

(a) Class of income (see instructions)	(b) Gross amount	(c) Rate of tax (%)	(d) Amount of tax liability	(e) Amount of U.S. income tax paid or withheld at the source
1 Interest				
2 Dividends				
3 Rents				
4 Royalties				
5 Annuities				
6 Gains from disposal of timber, coal, or domestic iron ore with a retained economic interest (attach supporting schedule) . . .				
7 Gains from sale or exchange of patents, copyrights, etc.				
8 Fiduciary distributions (attach supporting schedule)				
9 Gross transportation income		4		
10 Other fixed or determinable annual or periodic gains, profits, and income . . .				

11 Total. Enter here and on line 1, page 1 ▶				
12 Total. Enter here and include on line 5h, page 1 ▶				

13 Is the corporation fiscally transparent under the laws of the foreign jurisdiction with respect to any item of income listed above? ☐ Yes ☐ No
If "Yes," attach a schedule that provides the information requested above with respect to each such item of income.

SECTION II—Income Effectively Connected With the Conduct of a Trade or Business in the United States
(see instructions)**Important:** Fill in all applicable lines and schedules. If you need more space, see **Assembling the Return** in the instructions.

Income	1a Gross receipts or sales		b Less returns and allowances		c Bal	1c	
	2 Cost of goods sold (Schedule A, line 8).					2	
	3 Gross profit (subtract line 2 from line 1c)					3	
	4 Dividends (Schedule C, line 14)					4	
	5 Interest					5	
	6 Gross rents					6	
	7 Gross royalties					7	
	8 Capital gain net income (attach Schedule D (Form 1120))					8	
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)					9	
	10 Other income (see instructions—attach schedule)					10	
	11 Total income. Add lines 3 through 10					11	
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (Schedule E, line 4)					12	
	13 Salaries and wages (less employment credits)					13	
	14 Repairs and maintenance					14	
	15 Bad debts (attach a list of each creditor over \$500,000 showing amount for each)					15	
	16 Rents					16	
	17 Taxes and licenses					17	
	18 Interest expense from Schedule I, line 25					18	
	19 Charitable contributions					19	
	20 Depreciation from Form 4562 not claimed on Schedule A or elsewhere on return (attach Form 4562)					20	
	21 Depletion					21	
	22 Advertising					22	
	23 Pension, profit-sharing, etc., plans					23	
	24 Employee benefit programs					24	
	25 Domestic production activities deduction (attach Form 8903)					25	
	26 Deductions allocated and apportioned to ECI from Schedule H, line 21 (see instructions)					26	
	27 Other deductions (attach schedule)					27	
	28 Total deductions. Add lines 12 through 27					28	
	29 Taxable income before NOL deduction and special deductions (subtract line 28 from line 11)					29	
	30 Less:						
	a Net operating loss deduction (see instructions)		30a				
b Special deductions (Schedule C, line 15)		30b					
c Add lines 30a and 30b					30c		
31 Taxable income or (loss). Subtract line 30c from line 29					31		

Schedule A Cost of Goods Sold (see instructions)

1 Inventory at beginning of year	1	
2 Purchases	2	
3 Cost of labor	3	
4 Additional section 263A costs (attach schedule)	4	
5 Other costs (attach schedule)	5	
6 Add lines 1 through 5	6	
7 Inventory at end of year	7	
8 Cost of goods sold. Subtract line 7 from line 6. Enter here and on Section II, line 2, above	8	

9a Check all methods used for valuing closing inventory:

(1) ☐ Cost as described in Regulations section 1.471-3

(2) ☐ Lower of cost or market as described in Regulations section 1.471-4

(3) ☐ Other (Specify method used and attach explanation.)

b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c) ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ☐

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO **9d**

e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? ☐ **Yes** ☐ **No**

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? ☐ **Yes** ☐ **No**

If "Yes," attach explanation.

SECTION II—Income Effectively Connected With the Conduct of a Trade or Business in the United States
(continued)**Schedule C Dividends and Special Deductions** (see instructions)

	(a) Dividends received	(b) %	(c) Special deductions: (a) × (b)
1 Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)		70	
2 Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		80	
3 Dividends on debt-financed stock of domestic and foreign corporations (section 246A)		see instructions	
4 Dividends on certain preferred stock of less-than-20%-owned public utilities		42	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities		48	
6 Dividends from less-than-20%-owned foreign corporations		70	
7 Dividends from 20%-or-more-owned foreign corporations		80	
8 Total. Add lines 1 through 7. See instructions for limitation.			
9 Dividends from foreign corporations not included on lines 3, 6, or 7			
10 Foreign dividend gross-up (section 78).			
11 IC-DISC and former DISC dividends not included on lines 1, 2, or 3 (section 246(d))			
12 Other dividends			
13 Deduction for dividends paid on certain preferred stock of public utilities			
14 Total dividends. Add lines 1 through 12. Enter here and on line 4, page 3			
15 Total special deductions. Add lines 8 and 13. Enter here and on line 30b, page 3			

Schedule E Compensation of Officers (See instructions for Section II, line 12.)

Note: Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 of Section II) are \$500,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned		(f) Amount of compensation
			(d) Common	(e) Preferred	
1a		%	%	%	
b		%	%	%	
c		%	%	%	
d		%	%	%	
e		%	%	%	
2 Total compensation of officers					
3 Compensation of officers claimed on Schedule A and elsewhere on this return					
4 Subtract line 3 from line 2. Enter the result here and on line 12, page 3					

Schedule J Tax Computation (see instructions)

1 Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))	<input type="checkbox"/>	2		
2 Income tax. Check if a qualified personal service corporation (see instructions)	<input type="checkbox"/>	3		
3 Alternative minimum tax (attach Form 4626)		4		
4 Add lines 2 and 3				
5a Foreign tax credit (attach Form 1118)		5a		
b General business credit. Check applicable box(es): <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form (specify): _____		5b		
c Credit for prior year minimum tax (attach Form 8827).		5c		
d Bond credits from: <input type="checkbox"/> Form 8860 <input type="checkbox"/> Form 8912		5d		
6 Total credits. Add lines 5a through 5d		6		
7 Subtract line 6 from line 4		7		
8 Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Form 8902 <input type="checkbox"/> Other (attach schedule)		8		
9 Total tax. Add lines 7 and 8. Enter here and on line 2, page 1		9		

SECTION III—Branch Profits Tax and Tax on Excess Interest**Part I—Branch Profits Tax** (see instructions)

1	Enter the amount from Section II, line 29	1		
2	Enter total adjustments to line 1 to get effectively connected earnings and profits. (Attach required schedule showing the nature and amount of adjustments.) (See instructions.)	2		
3	Effectively connected earnings and profits. Combine line 1 and line 2	3		
4a	Enter U.S. net equity at the end of the current tax year. (Attach required schedule.)	4a		
b	Enter U.S. net equity at the end of the prior tax year. (Attach required schedule.)	4b		
c	Increase in U.S. net equity. If line 4a is greater than or equal to line 4b, subtract line 4b from line 4a. Enter the result here and skip to line 4e	4c		
d	Decrease in U.S. net equity. If line 4b is greater than line 4a, subtract line 4a from line 4b.	4d		
e	Non-previously taxed accumulated effectively connected earnings and profits. Enter excess, if any, of effectively connected earnings and profits for preceding tax years beginning after 1986 over any dividend equivalent amounts for those tax years	4e		
5	Dividend equivalent amount. Subtract line 4c from line 3. If zero or less, enter -0-. If no amount is entered on line 4c, add the lesser of line 4d or line 4e to line 3 and enter the total here	5		
6	Branch profits tax. Multiply line 5 by 30% (or lower treaty rate if the corporation is a qualified resident or otherwise qualifies for treaty benefits). Enter here and include on line 3, page 1. (See instructions.) Also complete item V on page 2	6		

Part II—Tax on Excess Interest (see instructions for this Part and for Schedule I)

7a	Enter the interest from Section II, line 18	7a		
b	Enter the interest apportioned to the effectively connected income of the foreign corporation that is capitalized or otherwise nondeductible, from Schedule I, line 24d	7b		
c	Add lines 7a and 7b	7c		
8	Enter the branch interest (including capitalized and other nondeductible interest) from Schedule I, line 9. (See instructions for definition.) If the interest paid by the foreign corporation's U.S. trade or business was increased because 80% or more of the foreign corporation's assets are U.S. assets, check this box <input type="checkbox"/> 8	8		
9a	Excess interest. Subtract line 8 from line 7c. If zero or less, enter -0-	9a		
b	If the foreign corporation is a bank, enter the excess interest treated as interest on deposits. Otherwise, enter -0-. (See instructions.)	9b		
c	Subtract line 9b from line 9a	9c		
10	Tax on excess interest. Multiply line 9c by 30% or lower treaty rate (if the corporation is a qualified resident or otherwise qualifies for treaty benefits). (See instructions.) Enter here and include on line 3, page 1. Also complete item V on page 2	10		

Part III—Additional Information

	Yes	No
11 Is the corporation claiming a reduction in, or exemption from, the branch profits tax due to:		
a A complete termination of all U.S. trades or businesses?		
b The tax-free liquidation or reorganization of a foreign corporation?		
c The tax-free incorporation of a U.S. trade or business?		
If 11a or 11b applies and the transferee is a domestic corporation, attach Form 8848. If 11c applies, attach the statement required by Temporary Regulations section 1.884-2T(d)(5).		

Note: Schedule L must be completed by all filers. Check if completing on ☐ U.S. basis or a ☐ Worldwide basis.

Schedule L Balance Sheets per Books

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts	()	()	()	()
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6a Interbranch current assets*				
b Other current non-U.S. assets*				
c Other current U.S. assets*				
7 Loans to shareholders				
8 Mortgage and real estate loans				
9a Other loans and investments—non-U.S. assets*				
b Other loans and investments—U.S. assets*				
10a Buildings and other depreciable assets				
b Less accumulated depreciation	()	()	()	()
11a Depletable assets				
b Less accumulated depletion	()	()	()	()
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization	()	()	()	()
14 Assets held in trust				
15 Other non-current interbranch assets*				
16a Other non-current non-U.S. assets*				
b Other non-current U.S. assets*				
17 Total assets				
Liabilities				
18 Accounts payable				
19 Mortgages, notes, bonds payable in less than 1 year:				
a Interbranch liabilities*				
b Third-party liabilities*				
20 Other current liabilities*				
21 Loans from shareholders				
22 Mortgages, notes, bonds payable in 1 year or more:				
a Interbranch liabilities*				
b Third-party liabilities*				
23 Liabilities held in trust				
24a Other interbranch liabilities*				
b Other third-party liabilities*				
Equity (see instructions)				
25 Capital stock: a Preferred stock				
b Common stock				
26 Additional paid-in capital				
27 Retained earnings—Appropriated*				
28 Retained earnings—Unappropriated				
29 Adjustments to shareholders' equity*				
30 Less cost of treasury stock	()	()	()	()
31 Total liabilities and shareholders' equity				

*Attach schedule—See instructions.

